

SENT VIA OVERNIGHT MAIL

September 6, 2002

Department of the Interior
Minerals Management Service
Mail Stop 4024
382 Elden Street
Herndon, Virginia 20170-4817

ExxonMobil
Exploration

Attention: Rules Processing Team

**RE: Request for Comments
Proposed Rulemaking
Confidentiality of Geophysical and Geological Information**

Ladies and Gentlemen:

ExxonMobil Exploration Company, a division of Exxon Mobil Corporation, submits this letter in response to the rule proposed by the Mineral Management Service ("MMS") published July 17, 2002, in the Federal Register (pp. 46942 et seq.) which would modify the regulations pertaining to the confidentiality of exploration geophysical and geological information submitted to the MMS. Specifically, the MMS proposes to 1.) change the time frame in which the information will be kept confidential by the MMS, and 2.) grant limited inspection of the geological and geophysical information to persons with a direct interest in related MMS decisions and issues.

ExxonMobil opposes the adoption of the regulatory changes and urges the MMS to resolve its concern with respect to the administrative issues associated with tracking data under the current regulations in a different manner.

Geophysical Information has a confidentiality period of twenty-five (25) years from the date received by MMS from the date of permit issue if the regulation proposed is adopted. There is not a formal definition of "Geophysical Information" currently in the regulations. However, "information" is defined to include "geological and geophysical data that have been analyzed, processed, or interpreted." "Processed geophysical information" means "data collected under a permit and later processed or reprocessed." "Processing" means changing the form of the data so as to facilitate interpretation. Thus, it is evident that reprocessed geophysical data will be viewed as geophysical information with a confidentiality period of twenty-five (25) years after permit issuance under the proposal.

As geophysical data becomes older, it is common to reprocess the data with new techniques in order to continue using it. Under the proposed MMS change to the regulations, a company that takes older data and reprocesses it has a significantly shorter period of time in which the data will be kept confidential by MMS. For example, a data

set acquired under a permit issued in 1980 which is reprocessed in 2002 will have only two (2) plus years of confidentiality if that reprocessed data is provided to MMS. The costs of reprocessing can be large but the data set may be available to competitors in a relatively short period of time. For the explorer who desires to reprocess older data in order to make a decision as to whether to bid on a lease or not, consideration must be given to the fact that such a bid may precipitate a request from MMS for the reprocessed data set with the probability that it will be available to others through MMS in the near future. We believe this will have a negative effect on decisions whether or not to reprocess data as that data ages.

If the administrative issue that the Agency is seeking to handle cannot be resolved in some other manner, consideration should be given to establishing a uniform period of time in respect of confidentiality for all data, whether base data or reprocessed data. Such a period could be forty (40) years and run from the date the permit is issued. Such a period of time will give the seismic company with a spec data base protection for its investment and also protect those who desire to reprocess older data.

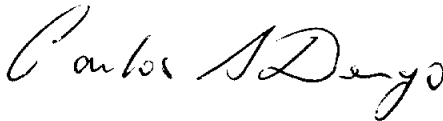
The second proposal will give MMS authority to grant limited inspection rights of geological and geophysical data to persons with a direct interest in related MMS decisions and issues. The MMS will require such a person to keep the information confidential but the person has access to that information used by MMS to 1.) make unitization determinations, 2.) make competitive reservoir determinations, 3.) ensure proper plans of development for competitive reservoir determinations, 4.) promote operational safety, 5.) protect the environment, 6.) make field determinations, and 7.) determine eligibility for royalty relief. The reasons for disclosing information to a third party thus become very broad and provide competitors with a broad spectrum of opportunity to come in and find out what the entity which acquired the data seeks to keep confidential. Under the rubric of openness, a competitor with leases in the general area of the entity seeking MMS action will be able to access proprietary information and use that information to its advantage notwithstanding that the competitor may not show it to others. The fact that the competitor must agree to keep the data confidential is not the point but, rather, the competitor gains a free look at and opportunity to work the submitting party's data and information. If the data is licensed from a third party such as a seismic company, the competitor also is able to obtain and analyze the data without obtaining its own license thus depriving the data owner of the economic benefits of that data.

The lessee desiring MMS action in order to explore, develop and produce its lease needs a regulatory framework that encourages the flow of information to the MMS which, in turn, enables reasoned decision making on the part of the Agency to take place. Making

available data and information that is highly confidential to the MMS with the understanding that the regulations will allow competitors and other groups to view and use that data and information does not further this administrative purpose. A lessee must seriously consider the impact of possible disclosure of important data and information when deciding whether or not to seek administrative action. In order to assure that there is a regulatory framework that encourages the flow of information to the MMS, ExxonMobil urges the MMS to withdraw this proposal

ExxonMobil appreciates the opportunity to provide these comments regarding the proposed rule. Please do not hesitate to contact J. Byron Morris at 281.654.7051 should you have any questions or require any assistance.

Very truly yours,

A handwritten signature in cursive script that reads "Carlos A. Dengo". The signature is written in black ink and is positioned above the printed name.

Carlos A. Dengo